

# HOUSE . . . . . No. 16

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## The Commonwealth of Massachusetts

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THE COMMONWEALTH OF MASSACHUSETTS  
EXECUTIVE OFFICE OF LABOR AND WORKFORCE DEVELOPMENT  
ONE ASHBURTON PLACE  
BOSTON, MASSACHUSETTS 02108

The Honorable Steven T. James  
*Clerk of the House of Representatives*  
State House, Room 145  
Boston, Massachusetts 02133  
November 5, 2008

Dear Mr. Clerk:

Pursuant to the provisions of Section 33 of Chapter 30 of the General Laws, I hereby submit the attached legislative recommendations by the Executive Office of Labor and Workforce Development for consideration during the 2009-2010 legislative session. The legislation we are filing includes the following:

### JOINT TASK FORCE ON THE UNDERGROUND ECONOMY AND EMPLOYEE MISCLASSIFICATION

#### 1) AN ACT RELATIVE TO STRENGTHENING THE ENFORCEMENT OF STOP WORK ORDERS UNDER THE WORKERS' COMPENSATION STATUTE

The purpose of this legislation is to strengthen the Secretariat's efforts to bring employers in the underground economy into compliance with labor, tax and professional licensure laws. The proposed amendment outlines new investigative measures that the Department of Industrial Accidents may use to ensure employer compliance. The bill also raises the fines on companies found to be violating the law, and, it allows the DIA to refer these employers to the Joint Task Force on the Underground Economy and Employee Misclassification or any other appropriate agency.

#### 2) AN ACT AUTHORIZING THE DEPARTMENT OF UNEMPLOYMENT ASSISTANCE TO SHARE INFORMATION WITH THE JOINT TASK FORCE ON THE UNDERGROUND ECONOMY

The purpose of this legislation is to strengthen the Secretariat's efforts to bring employers in the underground economy into compliance with labor, tax and professional licensure laws. Currently DUA may share information with the Departments of Revenue and Industrial Accidents in the performance of their official duties. This bill would allow the DUA to share enforcement related information with all of members of the Underground Economy Task Force.

### DIVISION OF UNEMPLOYMENT ASSISTANCE

#### 3) AN ACT TO IMPROVE THE EFFICIENCY OF THE DELIVERY OF BENEFITS TO UNEMPLOYED WORKERS

This bill would amend the Unemployment Insurance law regarding in-person services at specific regional offices.

#### 4) AN ACT TO ASSIST SMALL BUSINESS

This bill would amend the unemployment insurance statute to more clearly define when a business is a “successor” for purposes of being charged the prior businesses UI contribution rate or to be assigned its own new business rate.

#### 5) AN ACT RELATIVE TO THE LONGITUDINAL HOUSEHOLD EMPLOYER DYNAMICS SYSTEM

This amendment would authorize the DUA to share confidential employer data collected through the UI program with the U.S. Census Bureau and the Bureau of Labor Statistics solely for the purpose of allowing those two agencies to develop summary level data as part of the federal state Longitudinal Employment Household Dynamics program. The Longitudinal Household Employer Dynamics System produces new demographic information for the State’s Workforce System that is comparable at national, state and local levels on profiles of the labor markets and industries.

#### 6) AN ACT TO EXTEND THE WORKFORCE TRAINING FUND

This bill would authorize the Workforce Training Fund to continue until 2015. The statute authorizing the WTF is currently due to expire in 2010.

#### 7) AN ACT TO IMPROVE THE REPORTING OF WAGES IN THE COMMONWEALTH

This bill would transfer the responsibility for processing wage reporting from the Department of Revenue to the Division of Unemployment Assistance. This legislation has to be enacted in the early part of 2009 in order to meet the scheduled implementation dates. This bill was drafted jointly by both agencies.

### DIVISION OF LABOR RELATIONS

#### 8) AN ACT MAKING TECHNICAL AMENDMENTS REGARDING THE DIVISION OF LABOR RELATIONS WITHIN THE DEPARTMENT OF LABOR

The Division of Labor Relations (DLR) was established in Chapter 145 of 2007, which reorganized the public sector labor relations agencies by merging the Board of Conciliation and Arbitration, the Joint Labor Management committee and the Labor Relations Commission into the DLR. After the law was adopted, numerous references to the Board of Conciliation or the Labor Relations Commission remained. The bill would make various technical changes to the general and special laws by deleting references to the Board of Conciliation and Arbitration or the Labor Relations Commission and replacing them with references to the Division of Labor Relations.

### ADMINISTRATIVE REFORMS

#### 9) AN ACT TO INCREASE EFFICIENCY IN THE DELIVERY OF ECONOMIC DEVELOPMENT SERVICES

The purpose of this legislation is to transfer the Economic Stabilization Trust (EST), which is a state program offering loans to distressed businesses, from the Commonwealth Corporation to the Executive Office of Housing and Economic Development.

10) AN ACT TO IMPROVE EFFICIENCIES, CONTAIN COSTS, STREAMLINE PROCESSES, AND ENHANCE PROCESSING SERVICE DELIVERY WITHIN THE EXECUTIVE OFFICE OF LABOR AND WORKFORCE DEVELOPMENT

This legislation is designed to enable EOLWD's administration and finance department to centralize certain overlapping administrative functions that are presently split up among EOLWD's agencies. This legislation was drafted in response to a directive from the Comptroller's office regarding the implementation of shared services between departments within the Secretariat.

Sincerely,

SUZANNE M. BUMP,  
*Commissioner.*